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Agenda item 4

# REPORT OF THE PROGRAMME AND BUDGET COMMITTEE ON THE WORK OF ITS THIRTEENTH SESSION

*Addendum*

**Resumed thirteenth session**
**(19 November 1997)**

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## Introduction

1. The Programme and Budget Committee resumed its thirteenth session for the second time at UNIDO Headquarters, Vienna International Centre, on 19 November 1997, under the chairmanship of Mr. J. P. G. Freeman (United Kingdom of Great Britain and Northern Ireland).

2. In accordance with its conclusion 97/11 paragraph (c), the Committee resumed consideration of item 6 of the agenda of its thirteenth session, i.e. programme and budgets, 1998-1999, for the sole purpose of considering the report of the informal open-ended working group, under the chairmanship of Mr. M. F. Khalil (Tunisia) (PBC.13/16 and Corr.1), established to examine all relevant aspects relating to staff reductions to be undertaken in 1998, including policy criteria for such reductions and modalities for their financing, as outlined in document PBC.13/14/5/Rev.1.

3. The following 24 of the 27 members of the Committee participated in the session: Austria, Belgium, Brazil, Denmark, Ecuador, Egypt, France, Germany, India, Italy, Japan, Kuwait, Libyan Arab Jamahiriya, Mexico, Nigeria, Republic of Korea, Romania, Russian Federation, Saudi Arabia, Slovakia, Switzerland, Thailand, United Kingdom of Great Britain and Northern Ireland and Uruguay.

4. The following 63 Members of UNIDO also attended the session: Algeria, Angola, Argentina, Armenia, Australia, Azerbaijan, Belarus, Bolivia, Bosnia and Herzegovina, Bulgaria, Chile, China, Colombia, Croatia, Cuba, Czech Republic, Democratic People's Republic of Korea, Ethiopia, Finland, Georgia, Ghana, Greece, Guatemala, Haiti, Hungary, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Israel, Jordan, Kenya, Lebanon, Liberia, Luxembourg, Malaysia, Morocco, Namibia, Netherlands, Norway, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Republic of Moldova, Slovenia, Spain, Sri Lanka, Sudan, Sweden, The former Yugoslav Republic of Macedonia, Tunisia, Turkey, Ukraine, United Arab Emirates, Venezuela, Viet Nam and Yemen.

5. The United Nations Office at Vienna, United Nations Development Programme, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, World Health Organization and International Atomic Energy Agency were represented. The European Commission, the League of Arab States and the Organisation of the Islamic Conference were also represented.

6. The report of the resumed session of the Programme and Budget Committee is submitted to the Industrial Development Board in accordance with Article 10.4 of the Constitution.

7. The report contains the conclusion reached by the Committee. Annex I contains a list of documents submitted to the Committee at its current resumed session.

8. The conclusion adopted by the Committee as reported below was brought to the attention of the Board at its resumed eighteenth session (17-19 November 1997).

## I. PROGRAMME AND BUDGETS, 1998-1999

9. On 19 November, the Committee considered the report (PBC.13/16 and Corr.1) of the informal open-ended working group, under the chairmanship of Mr. M. F. Khalil (Tunisia), established to examine all relevant aspects relating to staff reductions to be undertaken in 1998, including policy criteria for such reductions and modalities for their financing as outlined in document PBC.13/14/5/Rev.1. The decision reached by the Committee is reflected in the conclusion below:

**Conclusion 97/14**

The Committee decided to adopt for submission to the Industrial Development Board at its resumed eighteenth session of 19 November 1997 the recommendations of the informal open-ended working group on personnel and financial aspects related to staff reductions (PBC.13/16/Corr.1) with the amendments incorporated in document PBC.13/16/Corr.2 to read as follows:

"(a) All Member States should pay outstanding assessed contributions without delay;

(b) The use of unutilized balances from 1994-1995 to fund the staff separation reserve should be implemented;

(c) The additional cash resources for the staff separation reserve, to supplement the present balance in that reserve, could be secured: (i) by voluntary contributions from Member States on the understanding that contributions for 1998 for the budget and staff separation reserve would not exceed 1997 assessed contribution levels; (ii) by way of advances from Member States to the Organization on the understanding that those advances would be repaid as and when the arrears of assessed contributions are paid, or deducted from future contributions.

These measures should be implemented jointly so as to ensure the payment on time of the costs incurred by staff separations."

## II. ADOPTION OF THE REPORT AND CLOSURE OF THE THIRTEENTH SESSION

10. On 19 November, the Committee entrusted to the Rapporteur the finalization of the report of its resumed thirteenth session of 19 November 1997.

11. The Committee closed its thirteenth session at 12.05 p.m. on 19 November 1997.

*Annex*

**DOCUMENTS SUBMITTED TO THE RESUMED THIRTEENTH SESSION**
(18 November 1997)

| Symbol | Agenda item | Title |
|---|---|---|
| PBC.13/14/6 - IDB.18/15/6 | 6 | Programme and budgets, 1998-1999. Revised proposals. Submitted by the Director-General |
| PBC.13/14/5/Rev.1- IDB.18/15/5/Rev.1 | 6 | Personnel and financial implications of the proposed budget reductions. Submitted by the Director-General |
| PBC.13/16 and Corr.1 and Corr.2 | 6 | Informal open-ended working group on personnel and financial aspects related to staff reductions. Report by the Chairman (H.E. Mr. M. F. Khalil, Tunisia) |
| | | * * * |
| PBC.13/CRP.11 | | List of participants |